Mr. Jimmy Clarke
Coordinator, Louisiana Healthcare Summit

Ms. Catherine Kitchen
Office of the Governor
P. O. Box 94004
Baton Rouge, LA 70804

February 25, 2004

Re: Region I Pre-Summit Meeting on Healthcare Report

Dear Mr. Clarke and Ms. Kitchen:

On February 19, 2004, the following organizations in Region I held a pre-summit meeting as a precursor to Governor Blanco's planned March Healthcare Summit: The Advocacy Center, Archdiocese of New Orleans, Brylski Company, Children's' Hospital, City of New Orleans Health Department, Excelth, Inc., Greater New Orleans, Inc., HCA Delta Division, Louisiana Public Health Institution, State Representative Cheryl Gray, LSU Health Sciences Center, Medical Center of Louisiana, Metropolitan Hospital Council of New Orleans, Milling Benson Woodward, LLP, NEMATO, Inc., Ochsner Medical, Hon. Oliver M. Thomas, City of New Orleans Council President, State Senator Paulette Irons, and Tulane University Health Sciences Center. This meeting attracted approximately 350 participants and began what it is hoped will be a continuing dialogue on the critical state of healthcare in this region and the State.

The half-day session began with opening remarks from Patrick Quinlan, Co-Chair of the Medical Industry Cluster and Senator J. T. 'Tom" Schedler. The opening session was followed by eight concurrent break-out sessions. Each session dealt with a specific major healthcare concern. A one page summary itemizing and prioritizing the predominant findings and concerns of each of these sessions is included as part of this report. Simultaneous to the break-out sessions, the group with the assistance of Representative Gray and Councilperson Thomas conducted a public comment/testimony session which was open to anyone wishing to express their thoughts and/or healthcare concerns. The concluding session was chaired by Mel Lagarde, Co-Chair of the Medical Industry Cluster and featured a report of findings from each of the break-out sessions. The final charge to the reconvened group was to prioritize the major healthcare issue concerns based on the summary reports from the breakout sessions.

Although the comments and the prioritizing of major concerns varied widely, some common concerns expressed by more than half of the respondents are the recent cuts in services at Charity Hospital, the need for flexibility in the usage of State Healthcare funds, the need to establish public/private partnerships that eliminate friction and reduce "turf wars" to ensure the most

optimum delivery of quality care to all patients, and strategies for educating future healthcare providers. Final notes to this session expressed abiding concerns that the future delivery of healthcare services should focus on prevention, education of the public, and finding ways to provide healthcare insurance to everyone.

The following pages are summaries of the individual break-out sessions:

Future of Charity Hospitals/Indigent Health Care

Strengths of Community Healthcare System
*LSU and Tulane Schools of Medicine/Medial Student and Resident Trainees
*LSU, Delgado, Tulane: Nurse and Allied Health Training Programs
*City Health Department/Partnership for Access to Healthcare (PATH)
*Independent Clinics: (St. Thomas Health Services, ExHealth, D.O.C. Daughters of Charity)

Challenges/Needs
*Lack of adequate access to Primary Care for the uninsured and under insured
*Shortage of Healthcare Personnel: (Registered nurses/other allied health personnel)
*Medicaid cap on Public Health
*Perception of lack of quality care for the uninsured/under insured
*Failing infrastructure, lack of adequate information systems
*No compensation for physicians who provide care to the uninsured
*Independent study of Impact of Budget cuts

Gaps
*Lack of access to Primary Care and Medication for uninsured/under insured
*Lack of coordinated care for the indigent among current providers
*Lack of infrastructure (facilities/information systems), bed space for uninsured
*Inadequate bed space at MCLNO (Medical Center of Louisiana at New Orleans)
*No funding for Healthcare Providers of uninsured

Changes/Solutions
*Cooperative endeavor agreements with appropriate level of Information Technology infrastructure between all public health providers
*Leverage existing budgets of the NOHD, and OPH to maximize utilization of federal matching dollars **(Does not require new State General Fund dollars)**
*Establish Shreveport Health Science Center model in New Orleans
*Establish dedicated fund for Healthcare of uninsured (special tax districts)
*Establish Rural Healthcare Model by utilizing existing OPII Clinics (Requires Federal designation of a "healthcare shortage site")
*Eliminate Public/Private debate: develop common reimbursement methodology and focus on patient access to care
*Regionalization/Restructuring of Public Hospital System
*Develop common payment methodology for Medicaid across private/public systems

Top Priorities

Short Term:

*****Cooperative endeavor agreements with appropriate level of Information Technology infrastructure between all public health providers
*Leverage existing budgets of the NOHD, and OPII to maximize utilization of federal matching dollars **(Does not require new State General Fund dollars)**
*Establish Shreveport Health Science Center model in New Orleans

Long Term:
*Regionalization/Restructuring of Public Hospital System
*Develop common payment methodology for Medicaid across private/public systems

Children's Healthcare Priorities

There is a plethora of information available to substantiate the health implications of poverty, lack of prenatal care, lack of early intervention, lack of preventive strategies, limited mental health services, etc. on healthcare delivery for children. Children, underinsured, uninsured, or without a comprehensive benefits plan, are suffering health problems at alarming rates. As a first step, it may be beneficial to evaluate existing healthcare policies for use in implementing the following priorities for system change.

I. **Priority 1**: Improve the health status of children by insuring a medical home for each child, equality of access to all needed providers, and a comprehensive benefits package, regardless of funding source.
   A. Recommendations:
      1. Increase Medicaid reimbursement rates to providers at levels equivalent to Medicare/private payers to insure equal access and prevent flight/enhanced recruitment of providers, especially sub specialists
      2. Establish a universal benefits package that includes the scope of health benefits defined by the American Academy of Pediatrics, the American Academy of Pediatric Dentistry, including appropriate screenings from infancy to young adulthood (See Academies' position statements for complete details)
      3. Expand/develop a mental health system for children that addresses prevention and intervention needs
      4. Continue the excellent outreach efforts to enroll children who currently qualify for LaCHIP; consider allowing homeless unattended adolescent to self-enroll
      5. Consider expanding the income eligibility criteria for LaCHIP or buy-in system for "working poor"
      6. Consider consolidation of state funding sources where programmatic objectives are congruent
      7. Address the problem of transitional care for the chronically ill and/or child with disabilities
II. **Priority 2:** Expand the human resources available to address healthcare needs to insure that appropriate prevention and intervention can be timely and adequately provided.
   A. Recommendations:
      1. Expand the "Nurse Family Partnership" program to all eligible persons. This program is found to be consistently effective in a series of scientifically controlled studies to prevent costly unfavorable outcomes.
      2. Reevaluate the staffing of school nurses, expanded roles assumed, and increasing time requirements per child due to the increase in fragile children and those with chronic health problems and public health epidemics such as obesity and diabetes

3. Reevaluate the need for expanding the social service support for children in the school system to address the myriad of mental health and support needs that arise in school.
4. Continue to develop private-public partnerships to establish additional school-based health centers, especially for the adolescent and young adult population, to improve vaccination rates/education programs, and to enhance prevention initiatives such as safety prevention, prevention of injury/violence, STD, and obesity

III. **Priority 3**: Insure the healthcare system addresses the appropriate intervention regarding development of healthy lifestyle behaviors from care of infants to nutrition and safety.

B. Recommendations:

1. Insure the licensure procedure for child care services include strict/measurable quality guidelines
2. Encourage child abuse and neglect mandatory reporting by eliminating barriers, improving training to all levels of care providers and eliminating the legal risk to the reporter.
3. Work with local organizations to improve after school care/summer programming and increase physical exercise opportunities
4. Provide age appropriate education regarding healthy lifestyle choices for children in school ages 5 through 18 including emphasis on physical and health education and parenting skills for 14 – 18 year olds
5. Evaluate the school lunch program/vending machine options/school-related programs and implement improvements that will provide better nutrition to children

Priority 4: Establish healthcare funding on parity with all other state programs

Elderly Healthcare Services and Long Term Healthcare

Statistics

People over the age of 65 represent 11.6% of LA's total population (2000 census)
In the next two decades there will be a 66% increase in the elderly population
One third of core elderly in New Orleans live in **poverty**
LA has second highest level of disabled elders in the nation

Priorities

Continuum of Care for the elderly and disabled population is critical for the well-being of individuals and the financial well-being of the State. This continuum would allow for a variety of services including family care, home care, community-based programs such as Adult Day Health Care and PACE, assisted living, skilled care and hospice.

The rationale for this approach is as follows:

- There are 8,000 empty nursing homes beds in Louisiana.
- Individuals typically go into nursing homes so they can get Medicaid
- Statistics indicate that it costs $109 per capita for nursing home expenditures vs. $1.33 per capital on community-based services
- LA is one of 12 states that offers **zero** funding for assisted living
- Waiver program needs to be re-examined

This issue is very complex as neither nursing homes nor community-based services have adequate funding. Yet there are many dollars wasted e.g., medications that are discarded that cost millions of dollars. This is also complicated by the lack of trust between state government

and providers, nursing homes vs. community-based programs. Long range planning needs to give everyone a place at the table including consumers.

Formal Training is needed at all levels of care for the elderly.

- There is a need for formal training for all health care professionals-physicians, nurses, nurse practitioners, pharmacists, rehabilitation specialists, case managers/medical social workers, nutritionists, administrators, and certified nursing assistants (to feed the nursing home patient). For instance, there are 100 plus formal training programs for physicians across the US but only one here in La. (at the Medical Center of Louisiana) other than at the VA Hospital.
- There is also a need for training and support for families and other care givers providing care in their homes
- The needs of residents in nursing homes are changing; e.g., staff is not trained to work with mentally ill persons.
- Medical student and resident physician training at Tulane and LSU are impacted by MCL cuts, adding to the problem.

Coordination of Services

- There is a need for assessment statewide
- There should be initiation of public awareness programs addressing prevention through education and communication - people do not know where to go for existing services. Cutbacks at Charity Hospital impact care of the elderly – subsequently people needing medical care do not know where to go.
- Political will and trust is needed to accomplish the goal.
- Consumer input is vital if policy makers really want to change systems.

Graduate Medical Education

1) Strengths of our community's healthcare and medical education system

a) LSU HSC and Tulane University Health Science Centers (HSC) who sponsor 1300/ 1700 (76%) of the undergraduate medical education in the state

b) LSU HSC New Orleans, Tulane University HSC and Ochsner Clinic Foundation who sponsor 1,324/1,844 (72%) of the graduate medical education in the State

c) The Medical Center of Louisiana

i) The largest single provider of care to uninsured in the State with 27,684 admissions, 154,527 inpatient days and 505,245 outpatient visits in FY 2002

ii) The principal referral center for the public hospital system statewide

iii) The principal teaching hospital of LSU HSC New Orleans and Tulane University HSC

iv) An irreplaceable educational resource for the state

d) The excellence of the physician workforce in the State of Louisiana most of whom trained in programs sponsored by one of these three institutions.

e) Medical education has a positive impact on the Louisiana economy.

i) Contributes total state business volume impact of $1.8 billion, including $57 million in tax revenue.

2) Challenges

a) Under funding and undercapitalization of the Medical Center of Louisiana which threatens its mission as a provider of care and as training site for medical education

b) Dramatic reductions in access to healthcare for hundreds of thousands of uninsured persons statewide

c) Dramatic reductions in the clinical base for the undergraduate and graduate medical education programs at LSU HSC New Orleans and Tulane University HSC

d) The extraordinarily interconnected, concentrated and fragile nature of undergraduate and graduate medical education and the increasingly challenging requirements for accreditation

e) A growing threat to the accreditation of LSU and Tulane University Medical Schools in New Orleans and to the Graduate Medical Education programs that they sponsor

3) Recommendations

a) Short term

i) Restore funding for the Medical Center of Louisiana to levels that existed in 1997 when the hospital was transferred to LSU HSC.

ii) Increase primary and preventive care statewide to improve the health of the population and reduce costs of medical care.

b) Longer term

i) Continue using the funding mechanisms available through Medicaid and Medicare to support GME as is done everywhere in the United States.

ii) Rebuild the Medical Center of Louisiana to contemporary standards as the principal teaching hospital of LSU HSC and Tulane University HSC in New Orleans.

Prescription Drugs

Short term substantive issues to be addressed:
*Rename the panel to recognize that the problems to be addressed are the accessibility and affordability of prescription drugs that will improve the lives and health of Louisiana Citizens.

*****Set up a policy planning and monitoring mechanism to insure effective implementation of the Medicare Modernization Act in Louisiana. The State needs to amend its laws and policies and to implement outreach and educational initiatives to insure that the maximum number of all eligible seniors secure the maximum benefits available to them under the new law.

*****End Louisiana's Closed Prescription Drug formulary and restrictions on physicians' prescribing of effective drugs for Medicaid patients. It is debatable whether there are any significant savings in restricting physician choice of drug treatment, but any potential savings are outweighed by the high

administrative expense associated with the approval process for drugs not in the formulary as well as the costs incurred by delaying the onset of treatment, preventing patients access to the most effective drug treatment, and discouraging doctors from participating in the Medicaid program.

*Enact Contraceptive Equity Legislation. Insurance companies offering comprehensive prescription drug benefits should not be allowed to exclude coverage of FDA-approved birth control medications or devices. Experience in other states has demonstrated that the cost of mandating contraceptive equity is negligible, while the economic and social cost savings associated with lowering the number of unintended pregnancies are substantial.

Procedural Issues Associated with Developing Long Term Solutions:
When examining policy changes, the Governor's office should

(1) **Assure that every interest is represented at the development table**, this includes both the leaders and the practicing professionals, as well as representatives of the diverse communities and subpopulations throughout the state;
(2) **Avoid attractive short-term cost-saving , poorly designed solutions likely to have long-term costs;**
(3) **Refrain from finger pointing that puts responsibility for the problem on any particular interest** (e.g. drug companies, politicians, physicians' prescription practices, etc.)
(4) **Reduce the competition among representatives of various disease categories for a larger share of the financial benefits at the expense of another**

The State should facilitate and promote dialogue and problem solving among all interests in a position to coordinate and streamline practices that are barriers to drug accessibility, especially in such areas as coordinating determination of patient eligibility for free and reduced-cost drugs, streamlining the paperwork, and developing understandable criteria.

The State should insure that outreach and education are a priority; outreach that will inform citizens how to access drug assistance benefits and education about healthy life choices and disease prevention to reduce the need for drugs.

Disabilities and Mental Health Care

Short Term Goals

The short term goals that can be accomplished promptly are:

1. **Single point of entry - - no wrong door.** Establish a single point of entry method of accepting people who need treatment for developmental disabilities, mental illness, and addictive disorders such that there will be "no wrong door" by which such people will be overlooked and allowed to fall through the cracks of the system.
2. **Waiver slots.** Expand the number of Medicaid waiver slots and better fund the delivery of services for waiver recipients. Such waivers are a win-win proposition. They are cost effective when appropriate and provide better services for the recipient. Consideration should be given to models adopted by states such as North Carolina and Utah.
3. **Duty to Coordinate services.** The legislature should enact a statute that imposes

upon the secretaries of certain departments, the duty of coordinating the services that they provide with the agencies that provide for the developmentally disabled, mentally ill, and those with addictive disorders. Those departments contemplated with this recommendation are the Departments of Health and Hospitals, Corrections, Social Services, Education.

Long Term Goals

Our long-term goal recommendations are improvements by the State of Louisiana:

1. **Professional workforce.** Create a fertile ground for the cultivation of a more professional workforce to provide community based services and to encourage continuity of good professional service providers. This will require:
   - adequate wages;
   - career advancement incentives;
   - employment benefits sufficient It will also require that we establish a community-shared database to track worker performance of and continuing education efforts to assure best practices are utilized by providers.
2. **Uniform standards**. Establish a uniform standard of administration of such workers by private provider agencies and the methodologies by which services are provided. The result will be less paperwork, better community coordination, and greater efficiencies.

Public Health Issues

Baseline Data

- **Region 1 holds 23% of Louisiana's population**
  - Louisiana Population: 4,468,976
  - Region 1 Population: 1,034,126
- **Region 1 holds 23% of Louisiana's poor**
  - Louisiana number below 200%FPL1,800,000
  - Region 1 number below 200% FPL 420,000
- **Region 1 has 23% of the uninsured**
  - Louisiana has 970,000 uninsured
  - Region 1 has 220,000 uninsured

Priorities

A. Base interventions upon mortality and morbidity

- The Medical literature supports that the primary cause of death is cardiovascular disease. The two actions which can prevent death and disability are smoking cessation and physical exercise. Our public health interventions need to keep this as a focal point.

B. Connect public health, private health and tertiary health in a way to minimize turf issues

- Most providers get paid on the basis of fee for service. If these patients are captured by other healthcare provider systems, turf issues will be paramount. We must connect these agencies to enhance efficiency and effectiveness in this framework of the current fiscal crisis.

C. Focus on prevention rather than crisis and be proactive rather than reactive

- We must base our healthcare delivery system in the prevention platform rather than the crisis management platform. This framework must include issues such as social marketing, health literacy and health education.

D. Define and address health and uninsured

- The broad definition of health needs to be considered. There is a necessity to create timely and affordable access to healthcare.

E. Leverage current resources

- There are many resources available and in current use in our region, however, there needs to be better coordination to facilitate leveraging of these resources to create a sustainable service delivery model.

Long Term Strategic Needs

A. Eliminate Health Disparities
B. Building a community based infrastructure
C. Creating a portable comprehensive healthcare coverage program
D. Integration of health, healthcare and economic development
E. Eliminate turf issues

Workforce Training & Education

In the Greater New Orleans area, shortages of healthcare workers are severe and expected to continue. This could drastically affect access to, quality of and cost of healthcare for our residents. The shortages are much more severe in the New Orleans area than elsewhere in the state.

The Louisiana Department of Labor reports 7,098 New Orleans regional healthcare job vacancies. This accounts for 70% of all healthcare vacancies statewide. Furthermore, the region's graduates are sought by employers from outside the region, diminishing the number available for local employment needs.

Recommendations:

1. Expand the nursing and allied health education system to provide the supply of qualified healthcare workers.

2. The primary bottleneck to the expansion of our nursing and allied health education programs is the lack of faculty. Salaries must be improved since those for new faculty members are below what new graduates earn. Low salaries lead to retention problems. Schools outside of our state recruit our faculty members by providing good teaching opportunities with higher salaries.

3. Health career awareness initiatives targeted at K-12 students must be implemented. These initiatives must be followed up with student shadowing and mentoring opportunities to encourage student interest.

4. Programs that fast-track the education process must be initiated. There are proposals for programs that will help a college graduate acquire a degree in nursing or some areas of allied health. They need to be funded. Programs that can be used to enhance career ladder progress must be encouraged.

5. A campaign to enhance and promote the image of healthcare employees and their importance to the communities they serve is needed.

6. Finally, adult literacy programs and training in basic job skills must be available to the working community. Health employers need to have a good supply of service workers who provide an appropriate environment for professionals to deliver care.

In conclusion, Greater New Orleans Inc., as the meeting coordinator extends its deep thanks to all the participants.

Respectfully submitted for Region 1

Lenora J. Lawe
Project Director

Pre-Summit Healthcare Organizers

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Dr. Dwayne Thomas	Patrick Quinlan	Steve Worley
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